

System-wide Policy:	
FI0615 - Disposition of Gift Personal Property	
Version: 3	Effective Date: 07/20/2018

FI0615 – Disposition of Gift Personal Property

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Objective:

To provide all university officials involved with the receipt, use, or disposition of gift personal property with guidelines for disposal of such property, including sale, donation, exchange, or trade.

Policy:

Definition of Gift Personal Property

1. Tangible gift personal property is defined as any non-cash item acquired by gift, inter vivos or testamentary trust, or testamentary bequest, except real property, stocks, securities, limited partnerships, or other negotiable financial instruments. Items such as jewelry, rare coins, artwork, furniture, automobiles, and boats are examples of personal property subject to this policy. (Note: Policies for disposing of gift real property are addressed in [FI0620 - Capital Outlay](#). The Treasurer's Office is responsible for coordinating the sale of stocks, securities, limited partnerships, and other negotiable financial instruments.)
2. Tangible gift personal property should not be considered or disposed of as university surplus property unless it (1) has been used by a department and (2) is subject to disposal by public auction or sealed bid. (Policies governing the

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disposal of surplus property are addressed in [FI0610 - Surplus Property](#)610 - [Surplus Property](#).) However, if provisions are made at the time of donation to use funds from a gift's sale after the department, campus, or unit no longer has use for it, the property should be disposed of according to the guidelines in this section.

Disposition Committee

3. Due to the variety of gifts that may be donated to the university and the potential methods of disposition for such property, a gift disposition committee will determine the most appropriate disposition method (donation, exchange, trade, sale, etc.) and procedures on a case-by-case basis. This committee will consist of the Vice President for Development (or designee) ; a representative of the General Counsel's Office; and the university Treasurer (or designee), who will chair the committee. Periodically, the committee should attempt to dispose of gifts that are not being used by the university. The committee will consult the department responsible for such gifts prior to making any decision regarding disposition.

Disposition by Sale

4. If selling a particular item is in the university's best interest, the gift disposition committee will determine (1) the item's fair market value at the proposed sale time, (2) the most advantageous method of sale (including, but not limited to, private sale, sealed bid, or public auction conducted by the university or a commercial auctioneer), (3) an acceptable sale price, and (4) eligible buyers (if by private sale or sealed bid). The committee will document the procedures it follows for each disposition.

Reporting Requirements

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5. The following reporting requirements apply whenever gift personal property is accepted and/or disposed of.
- a. Any university official who takes delivery of gift personal property must notify the campus or unit development office as soon as possible. The development office in turn must notify the university Treasurer in writing and indicate whether the campus or unit wishes to use the property for some period of time.
 - b. Gifts valued over \$500 should not be accepted without prior approval of the appropriate university official and the UT Foundation. Development officials should inform donors of their obligation to file IRS Form 8283 (Noncash Charitable Contributions). Generally, this form should be filed whenever the value of the property donated is above \$500. (See the current IRS form for additional requirements.) The UT Foundation should ensure that each form is signed by the donor and the appropriate university official if required by IRS Form 8283. In addition, the foundation should maintain copies of completed forms and send a copy to the donor.
 - c. Departments, campuses, or units that no longer have use for gift personal property in their custody should notify the appropriate university official and the UT Foundation as soon as possible. The UT Foundation will then notify the chair of the gift disposition committee (the University Treasurer or designee).
 - d. If the university disposes of gift items valued above \$500 that were included in a Form 8283 signed by the university within three years of their receipt, the Treasurer's Office must file IRS Form 8282 (Donee Information Return) within 125 days after the date of disposition. Accordingly, the trust officer in the Treasurer's Office must be notified of the disposition date and amount.

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Whenever an item is sold and Form 8282 is filed, the Treasurer's Office should send the donor and the appropriate development office a copy of the completed form indicating the sale price.

PROCEDURES:

To view links to campus policies and procedures, click here:

<https://policy.tennessee.edu/campus-policies-procedures/>

FOR MORE INFORMATION:

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Related Policies: [FI0610 - Surplus Property](#), [FI0620 - Capital Outlay](#)